



4000-01-U

DEPARTMENT OF EDUCATION

Applications for New Awards; Race to the Top Fund Phase 3

AGENCY: Office of the Deputy Secretary, Department of Education

ACTION: Notice.

Overview Information:

Race to the Top Fund Phase 3

Notice inviting applications for new awards for fiscal year (FY) 2011.

Catalog of Federal Domestic Assistance (CFDA) Number:
84.395A.

Dates:

Applications Available: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Date of Meetings for Prospective Applicants: November 16, 2011.

Deadline for Transmittal of Part I Applications: November 22, 2011, 4:30:00 p.m., Washington, DC time.

Deadline for Transmittal of Part II Applications: December 16, 2011, 4:30:00 p.m., Washington, DC time.

Full Text of Announcement

I. Funding Opportunity Description

Purpose of Program: The Race to the Top program, the largest competitive education grant program in U.S. history, is designed to provide incentives to States to implement system-changing reforms that result in improved student achievement, narrowed achievement gaps, and increased high school graduation and college enrollment rates.

On April 15, 2011, President Obama signed into law Public Law 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (FY 2011 Appropriations Act), which made \$698.6 million available for the Race to the Top Fund, authorized the Secretary to make awards on "the basis of previously submitted applications," and amended the American Recovery and Reinvestment Act of 2009 (ARRA) to permit the Secretary to make grants for improving early childhood care and learning under the program. On May 25, 2011, the Department announced that approximately \$500 million of these funds would support the new Race to the Top--Early Learning Challenge program and that approximately \$200 million would be made available to some or all of the nine unfunded finalists from the 2010 Race to the Top Phase 2 competition. While \$200 million is not sufficient to support full implementation of the plans submitted during the Phase 2 competition, the Department

believes that making these funds available to the remaining nine finalists is the best way to reward these States for the ambitious reforms they have begun and enable them to carry out meaningful portions of the plans proposed in their applications. The Department may use any unused funds from Race to the Top Phase 3 to make awards in the Race to the Top--Early Learning Challenge program.

Conversely, the Department may use any unused funds from the Race to the Top--Early Learning Challenge program to make awards for Race to the Top Phase 3.

Requirements: Except where otherwise indicated in this notice inviting applications or in the notice of final requirements for the Race to the Top Phase 3 program, published elsewhere in this issue of the Federal Register, the applicable final requirements and definitions of key terms from the notice of final priorities, requirements, definitions, and selection criteria, published in the Federal Register on November 18, 2009 (74 FR 59688), apply to the Race to the Top Phase 3 application process.

The following application requirements are from the Race to the Top Phase 3 notice of final requirements published elsewhere in this issue of the Federal Register and apply to this program.

Award Process: The Department will make awards through a two-part application process. States that meet the eligibility requirements must submit Part I of the application. Part I must meet the requirements in part A of the Application Requirements section and provide the required assurances in the Application Assurances section.

The Department will notify eligible applicants that met the application requirements and provided the required application assurances, and it will provide an estimate of the Race to the Top Phase 3 funds available to each based on the number of qualified applicants.

Qualified applicants then must submit Part II of the application for review and approval by the Secretary. Part II must meet the requirements in Part B of the Application Requirements section. It must also include a detailed plan and budget describing the activities selected from the State's Race to the Top Phase 2 application that will be implemented with Race to the Top Phase 3 funding in accordance with the budget requirements in the Race to the Top Phase 3 notice of final requirements published elsewhere in this issue of the Federal Register and repeated in the Budget Requirements section in this notice.

Eligibility Requirements: States that were finalists, but did not receive grant awards, in the 2010 Race to the Top

Phase 2 competition are eligible to receive Race to the Top Phase 3 awards. Therefore, only the States of Arizona, California, Colorado, Illinois, Kentucky, Louisiana, New Jersey, Pennsylvania, and South Carolina are eligible to apply for Race to the Top Phase 3 awards.

Application Requirements: To receive Race to the Top Phase 3 funding, an eligible applicant must meet two application requirements:

A. In Part I of the application, a State must submit the signatures of the Governor, the State's chief school officer, and the president of the State board of education, or their authorized representatives.

B. In Part II of the application, a State must include performance measures, by sub-criteria, for any activities selected for funding under Race to the Top Phase 3 for which such measures were not included in the State's Phase 2 application.

Application Assurances: The Governor (or the Governor's authorized representative) must provide the following assurances in the State's Race to the Top Phase 3 application:

(a) The State is in compliance with the Education Jobs Fund maintenance-of-effort requirements in section 101(10)(A) of Public Law 111-226.

(b) The State is in compliance with the State Fiscal Stabilization Fund Phase 2 requirements with respect to Indicator (b)(1) regarding the State's statewide longitudinal data system. (See notice of final requirements, definitions, and approval criteria for the State Fiscal Stabilization Fund Program published in the Federal Register on November 12, 2009 (74 FR 58436)), and the interim final requirement and request for comments for the State Fiscal Stabilization Fund Program published in the Federal Register on September 23, 2011 (76 FR 59036).

(c) At the time the State submits its application, there are no legal, statutory, or regulatory barriers at the State level to linking data on student achievement or student growth to teachers and principals for the purpose of teacher and principal evaluation.

(d) The State will maintain its commitment to improving the quality of its assessments, evidenced by the State's participation in a consortium of States that--

(i) Is working toward jointly developing and implementing common, high-quality assessments aligned with a common set of K-12 standards that prepare students for college and careers; and

(ii) Includes a significant number of States.

(e) The State will maintain, at a minimum, the conditions for reform described in its Race to the Top Phase 2 application, including--

(i) The State's adoption and implementation of a common set of K-12 standards that prepare students for college and careers, as specified in section (B)(1)(ii) of the State's Race to the Top Phase 2 application;

(ii) The State's statutory and regulatory framework related to improving teacher and school leader effectiveness and ensuring an equitable distribution of effective teachers and leaders, as described in section D of the State's Race to the Top Phase 2 application;

(iii) The State's statutory and regulatory framework for implementing effective school and LEA turnaround measures, as described in section E of the State's Race to the Top Phase 2 application; and

(iv) The State's statutory and regulatory framework for supporting the creation and expansion of high-performing charter schools and other innovative schools, as described in section (F)(2) of its Race to the Top Phase 2 application.

(f) The State will maintain its commitment to comprehensive reforms and innovation designed to increase student achievement and to continued progress in the four

reform areas specified in the ARRA, including the adoption and implementation of college and career-ready standards and high-quality assessments, improving the collection and use of data, increasing teacher effectiveness and equity in the distribution of effective teachers, and turning around the State's lowest achieving schools.

(g) The State will select activities for funding that are consistent with the commitment to comprehensive reform and innovation that the State demonstrated in its Race to the Top Phase 2 application, including activities that are most likely to improve science, technology, engineering and mathematics (STEM) education.

(h) The State will comply with all of the accountability, transparency, and reporting requirements that apply to the Race to the Top program (See the notice of final priorities, requirements, definitions, and selection criteria for the Race to the Top Fund published in the Federal Register on November 18, 2009 (74 FR 59688)), with the exception of reporting requirements applicable solely to funds provided under the ARRA. (Note: The ARRA section 1512 reporting requirements do not apply to the funds we will award under the Race to the Top Phase 3 award process).

(i) The State will comply with the requirements of any evaluation of the program, or of specific activities pursued as part of the program, conducted and supported by the Department.

Budget Requirements: An eligible applicant must apply for a proportional share of the approximately \$200 million available for Race to the Top Phase 3 awards based primarily on its share of the population of children ages 5 through 17 across the nine States. The estimated amounts for which each eligible State could apply are shown in the following table. The amounts provided in this table are based on the assumption that all eligible States will apply for a share of available funding; the amounts will increase if one or more eligible States do not apply or do not meet the application requirements.

State	Amount
Colorado	\$12,250,000
Louisiana	\$12,250,000
South Carolina	\$12,250,000
Kentucky	\$12,250,000
Arizona	\$17,500,000
Illinois	\$28,000,000
Pennsylvania	\$28,000,000

New Jersey	\$28,000,000
California	\$49,000,000

Once the Department notifies an applicant of the final amount of funds it is eligible to receive, the applicant must submit a Part II application that includes a detailed plan and budget. The plan and budget must describe the activities the applicant has selected from its Race to the Top Phase 2 application that it proposes to implement with Race to the Top Phase 3 funding, including how the State will allocate a meaningful share of its Phase 3 award to advance STEM education in the State.

The plan and budget must also provide--

(a) An explanation of why the applicant has selected these activities; and

(b) An explanation of why the applicant believes these activities will have the greatest impact on advancing its overall statewide reform plan.

Program Authority: American Recovery and Reinvestment Act of 2009, Division A, Section 14006, Public Law 111-5, as amended by section 310 of Division D, Title III of Public Law 111-117, the Consolidated Appropriations Act, 2010, and section 1832(a)(2) of Public Law 112-10, the Department of Defense and Full-Year Continuing Appropriations Act, 2011.

(Note: In the ARRA, the Race to the Top program is referred to as "State Incentive Grants.")

Applicable Regulations: (a) The Education Department General Administrative Regulations (EDGAR) in 34 CFR parts 74, 75, 77, 79, 80, 81, 82, 84, 85, 97, 98, and 99. (b) The notice of final requirements for the Race to the Top Phase 3 program published elsewhere in this issue of the Federal Register. (c) The notice of final priorities, requirements, definitions, and selection criteria, published in the Federal Register on November 18, 2009 (74 FR 59688).

II. Award Information

Type of Award: Discretionary grants.

Estimated Available Funds: \$200,000,000.

Estimated Range of Awards: \$12,250,000 - \$49,000,000.

Estimated Average Size of Awards: \$22,000,000.

Maximum Award: Up to \$200,000,000, depending on the number of applicants.

Estimated Number of Awards: Up to nine.

Note: The Department is not bound by any estimates in this notice.

Project Period: Up to 48 months.

III. Eligibility Information

1. Eligible Applicants: States that were finalists, but did not receive grant awards, in the 2010 Race to the Top Phase 2 competition are eligible to receive Race to the Top Phase 3 awards. Therefore, only the States of Arizona, California, Colorado, Illinois, Kentucky, Louisiana, New Jersey, Pennsylvania, and South Carolina are eligible to apply for Race to the Top Phase 3 awards.

2. Cost Sharing or Matching: This program does not require cost sharing or matching.

IV. Application and Submission Information

1. Address to Request Application Package: The Race to the Top Phase 3 application is divided into two parts-- Part I and Part II. In Part I of the application, the applicant provides the required signatures and assurances. In Part II of the application, the applicant provides its Race to the Top Phase 3 plan, budget, and performance measure information.

An applicant may obtain Part I and Part II of the application package via the Internet, using the following address: <http://www2.ed.gov/programs/racetothetop/phase3-resources.html>. Alternatively, an applicant may obtain Part I of the application package by contacting: Meredith Farace, U.S. Department of Education, 400 Maryland Avenue, SW., room 7E208, Washington, DC 20202-0200, (202)453-6690.

2. Content and Form of Application Submission:

Requirements concerning the content of the application, together with the forms a State must submit, are in the application package for this program. For information about how to submit your application by mail or hand delivery, please refer to 7. Other Submission Requirements in this section.

3. Submission Dates and Times:

Applications Available: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

Date of Meetings for Prospective Applicants: November 16, 2011.

To assist prospective applicants in preparing an application and to respond to questions, the Department will host a Webinar for prospective applicants on November 16, 2011. Detailed information about this Webinar will be posted on the Department's Web site at

<http://www2.ed.gov/programs/racetothetop/phase3-resources.html>.

Announcements of any other technical assistance opportunities for prospective applicants will also be available at this Web site.

Deadline for Transmittal of Part I Applications: November 22, 2011, 4:30:00 p.m., Washington, DC time.

Deadline for Transmittal of Part II Applications: December 16, 2011, 4:30:00 p.m., Washington, DC time.

The Department will not consider an application that does not comply with the deadline requirements.

Individuals with disabilities who need an accommodation or auxiliary aid in connection with the application process should contact the person listed under For Further Information Contact in section VII of this notice. If the Department provides an accommodation or auxiliary aid to an individual with a disability in connection with the application process, the individual's application remains subject to all other requirements and limitations in this notice.

4. Intergovernmental Review: This program is subject to Executive Order 12372 and the regulations in 34 CFR part 79. Information about Intergovernmental Review of Federal Programs under Executive Order 12372 is in the application package for this program.

5. Funding Restrictions: We reference regulations outlining funding restrictions in the Applicable Regulations section of this notice.

6. Data Universal Numbering System Number, Taxpayer Identification Number, and Central Contractor Registry: To do business with the Department of Education, you must--

- a. Have a Data Universal Numbering System (DUNS) number and a Taxpayer Identification Number (TIN);
- b. Register both your DUNS number and TIN with the Central Contractor Registry (CCR), the Government's primary registrant database;
- c. Provide your DUNS number and TIN on your application; and
- d. Maintain an active CCR registration with current information while your application is under review by the Department and, if you are awarded a grant, during the project period.

You can obtain a DUNS number from Dun and Bradstreet. A DUNS number can be created within one business day.

If you are a corporate entity, agency, institution, or organization, you can obtain a TIN from the Internal Revenue Service. If you are an individual, you can obtain a TIN from the Internal Revenue Service or the Social Security Administration. If you need a new TIN, please allow 2-5 weeks for your TIN to become active.

The CCR registration process may take five or more business days to complete. If you are currently registered with the CCR, you may not need to make any changes. However, please make certain that the TIN associated with your DUNS number is correct. Also note that you will need to update

your CCR registration on an annual basis. This may take three or more business days to complete.

7. Other Submission Requirements: Applications for grants under this program must be submitted by mail or hand delivery. We strongly recommend the use of overnight mail.

a. Application Submission Format and Deadline.

Applications for grants under this program must be submitted in electronic format on a CD or DVD, with CD-ROM or DVD-ROM preferred. In addition, applicants must submit a signed paper original of Part I of the application and one copy of that signed original. Autopenned or faxed signature pages, photocopies, and .PDFs (Adobe Portable Document Format) are not acceptable originals. Part I of the application includes the Application Assurances and Certifications.

We strongly recommend the applicant to submit a CD or DVD of its application that includes the following files:

(1) A single file that contains the body of the application, including required budget tables, that has been converted into a .PDF format so that the .PDF is searchable. Note that a .PDF created from a scanned document will not be searchable.

(2) A single file in a .PDF format that contains all of the required signature pages. The signature pages may be scanned and turned into a PDF.

(3) Copies of the completed electronic budget spreadsheets with the required budget tables, which should be in a separate file from the body of the application. The spreadsheets will be used by the Departments for budget reviews.

Each of these items must be clearly labeled with the State's name and any other relevant identifying information. States must not password-protect these files.

We must receive all grant applications by 4:30:00 p.m., Washington, DC time, on the application deadline date. We will not accept an application for this program after 4:30:00 p.m., Washington, DC time, on the application deadline date. Therefore, we strongly recommend that applicants arrange for mailing or hand delivery of their application in advance of the application deadline date.

b. Submission of Applications by Mail.

If you submit your application (i.e., the CD or DVD, the signed paper original of Part I of the application, and the copy of that original) by mail (through the U.S. Postal Service or a commercial carrier), you must mail the original and two copies of your application, on or before

the application deadline date, to the Department at the following address: U.S. Department of Education, Application Control Center, Attention: CFDA Number 84.395A, LBJ Basement Level 1, 400 Maryland Avenue, SW., Washington, DC 20202-4260.

c. Submission of Applications by Hand Delivery.

If you submit your application (i.e., the CD or DVD, the signed paper original of Part I the application, and the copy of that original) by hand delivery, you (or a courier service) must deliver the original and two copies of your application by hand, on or before the application deadline date, to the Department at the following address: U.S. Department of Education, Application Control Center, Attention: CFDA Number 84.395A, 550 12th Street, SW., Room 7041, Potomac Center Plaza, Washington, DC 20202-4260.

The Application Control Center accepts hand deliveries daily between 8:00 a.m. and 4:30:00 p.m., Washington, DC time, except Saturdays, Sundays, and Federal holidays.

Note for Mail or Hand Delivery of Paper Applications: If you mail or hand deliver your application to the Department--

(1) You must indicate on the envelope and--if not provided by the Department--in Item 11 of the SF 424 the CFDA number, including suffix letter, if any, of the

program under which you are submitting your application;
and

(2) The Application Control Center will mail to you a notification of receipt of your grant application. If you do not receive this notification within 15 business days from the application deadline date, you should call the U.S. Department of Education Application Control Center at (202) 245-6288.

V. Application Review Information

1. Selection Criteria: The Race to the Top program selection criteria, published in the Federal Register on November 18, 2009 (74 FR 59688) apply to the Race to the Top Phase 3 application process.

2. Review and Selection Process: The Department will make awards through a two-part application process. States that meet the eligibility requirements must submit Part I of the application. Part I must meet the requirements in Part A of the Application Requirements section and provide the required assurances in the Application Assurances section.

The Department will notify eligible applicants that met the application requirements and provided the required application assurances, and it will provide an estimate of the Race to the Top Phase 3 funds available to each based on the number of qualified applicants.

Qualified applicants then must submit Part II of the application for review and approval by the Secretary. Part II must meet the requirements in Part B of the Application Requirements section. It must also include a detailed plan and budget describing the activities selected from the State's Race to the Top Phase 2 application that will be implemented with Race to the Top Phase 3 funding in accordance with the budget requirements in the Race to the Top Phase 3 notice of final requirements published elsewhere in this issue of the Federal Register and repeated in the Budget Requirements section in this notice.

We remind potential applicants that in reviewing applications in any discretionary grant program, the Secretary may consider, under 34 CFR 75.217(d)(3), the past performance of the applicant in carrying out a previous award, such as the applicant's use of funds, achievement of project objectives, and compliance with grant conditions. The Secretary may also consider whether the applicant failed to submit a timely performance report or submitted a report of unacceptable quality.

In addition, in making a competitive grant award, the Secretary also requires various assurances including those applicable to Federal civil rights laws that prohibit discrimination in programs or activities receiving Federal

financial assistance from the Department of Education (34 CFR 100.4, 104.5, 106.4, 108.8, and 110.23).

3. Special Conditions: Under 34 CFR 74.14 and 80.12, the Secretary may impose special conditions on a grant if the applicant or grantee is not financially stable; has a history of unsatisfactory performance; has a financial or other management system that does not meet the standards in 34 CFR parts 74 or 80, as applicable; has not fulfilled the conditions of a prior grant; or is otherwise not responsible.

VI. Award Administration Information

1. Award Notices: If your application is successful, we notify your U.S. Representative and U.S. Senators and send you a Grant Award Notification (GAN). We may notify you informally, also.

If your application is not evaluated or not selected for funding, we notify you.

2. Administrative and National Policy Requirements: We identify administrative and national policy requirements in the application package and reference these and other requirements in the Applicable Regulations section of this notice.

We reference the regulations outlining the terms and conditions of an award in the Applicable Regulations

section of this notice and include these and other specific conditions in the GAN. The GAN also incorporates your approved application as part of your binding commitments under the grant.

3. Reporting: The Race to the Top reporting requirements, published in the Federal Register on November 18, 2009 (74 FR 59688) apply to the Race to the Top Phase 3 application process.

4. Performance Measures: The Race to the Top Phase 1 and Phase 2 performance measures, published in the Federal Register on November 18, 2009, (74 FR 59688), apply to the Race to the Top Phase 3 program. In addition, as indicated in the Race to the Top Phase 3 application requirements, applicants must develop and propose for the Department's approval, performance measures for sub-criteria that do not have performance measures in the Race to the Top Phase 2 application.

VII. Agency Contact

For Further Information Contact: Meredith Farace,
Implementation and Support Unit, U.S. Department of
Education, 400 Maryland Avenue, SW., room 7E208,
Washington, DC 20202-0200. Telephone: (202)453-6690 or by
e-mail: phase3comments@ed.gov.

If you use a TDD, call the FRS, toll free, at 1-800-877-8339.

VIII. Other Information

Accessible Format: Individuals with disabilities can obtain this document and a copy of the application package in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the contact person listed under For Further Information Contact in section VII of this notice.

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available via the Federal Digital System at: www.gpo.gov/fdsys. At this site you can view this document, as well as all other documents of this Department published in the Federal Register, in text or Adobe Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the Federal Register by using the article search feature at: www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

Dated: November 9, 2011

Arne Duncan,
Secretary of Education.

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